**Mundra Solar Limited**

**Balance Sheet as at 31st March, 2022**

adani

| Particulars | Notes | As at 31st March, 2022 (₹ in Lakhs) | As at 31st March, 2021 (₹ in Lakhs) |
|---|---|---|---|
| **Non-current Assets** | | | |
| (a) Capital Work-In-Progress | 4.1 | 10,803.40 | 8,409.35 |
| (b) Right-of-use assets | 4.2 | 11,611.18 | 12,105.88 |
| (c) Financial Assets | | | |
| (i) Investments | 5 | 124.50 | 124.50 |
| (ii) Other Non-current Financial Assets | 6 | 0.45 | 0.45 |
| (d) Other Non-current Assets | 7 | 41.09 | 20.24 |
| **Total Non-current Assets** | | **22,580.62** | **20,660.42** |
| **Current Assets** | | | |
| (a) Inventories | 8 | 169.73 | 128.97 |
| (b) Financial Assets | | | |
| (i) Cash and Cash Equivalents | 9 | 15.12 | 0.72 |
| (ii) Trade Receivables | 10 | 1,834.30 | 109.25 |
| (iii) Other Financial Assets | 11 | 2,500.00 | - |
| (c) Other Current Assets | 12 | 752.69 | 103.46 |
| **Total Current Assets** | | **5,271.84** | **342.40** |
| **Total Assets** | | **27,852.46** | **21,002.82** |
| **EQUITY AND LIABILITIES** | | | |
| **EQUITY** | | | |
| (a) Equity Share Capital | 13 | 5.00 | 5.00 |
| (b) Other Equity | 14 | (163.85) | 9.23 |
| **Total Equity** | | **(158.85)** | **14.23** |
| **LIABILITIES** | | | |
| **Non-current Liabilities** | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 15 | 5,364.92 | 6,630.29 |
| (ii) Lease liabilities | 16 | 5,478.53 | 5,345.90 |
| **Total Non-current Liabilities** | | **10,843.45** | **11,976.19** |
| **Current Liabilities** | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 17 | 12,817.83 | 206.75 |
| (ii) Trade Payables | | | |
| i. Total outstanding dues of microenterprises and small enterprises | 18 | 1,361.55 | - |
| Ii. Total outstanding dues of creditors other than micro enterprises and small enterprises | | 2,558.41 | 833.84 |
| (iii) Other Financial Liabilities | 19 | 361.53 | 7,935.60 |
| (b) Other Current Liabilities | 20 | 68.54 | 36.21 |
| **Total Current Liabilities** | | **17,167.86** | **9,012.40** |
| **Total Liabilities** | | **28,011.31** | **20,988.59** |
| **Total Equity and Liabilities** | | **27,852.46** | **21,002.82** |

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For **Shah & Shah Associates**
Chartered Accountants
Firm Registration Number : 113742W

**Sunil K.Dave**
Partner
Membership No.047236

**Place : Ahmedabad**
**Date : 3rd May 2022**

SHAH & SHAH ASSOCIATES CHARTERED ACCOUNTANTS 702, Aniket, C.G. Road, Navrangpura, Ahmedabad-9

For and on behalf of the Board of Directors of
**Mundra Solar Limited**

**Dharmesh Parekh**
Director
DIN 08256576

**Dhirav Shah**
Director
DIN: 08591063

**Place : Ahmedabad**
**Date : 3rd May 2022**

MUNDRA SOLAR LIMITED

**Mundra Solar Limited**

**Statement of Profit and Loss for the year ended 31st March, 2022**

| Particulars | Notes | For the year ended 31st March, 2022 (₹ in Lakhs) | For the year ended 31st March, 2021 (₹ in Lakhs) |
|---|---|---|---|
| **Revenue** | | 7,576.90 | 909.05 |
| **Total Income** | | **7,576.90** | **909.05** |
| **Expenses** | | | |
| Cost of Services Consumed | | 7,231.32 | 892.80 |
| Other Expenses | 21 | 518.66 | 0.26 |
| **Total Expenses** | | **7,749.98** | **893.06** |
| **Profit / (Loss) before tax** | | (173.08) | 15.99 |
| **Tax Expense:** | | | |
| Current Tax | 22 | - | 4.16 |
| Deferred Tax | | - | - |
| | | - | **4.16** |
| **Profit / (Loss) for the year** | **Total A** | **(173.08)** | **11.83** |
| **Other Comprehensive Income (Net of Tax)** | | | |
| Other Comprehensive Income | | - | - |
| **Other Comprehensive Income (After Tax)** | **Total B** | - | - |
| **Total comprehensive loss for the period** | **Total (A+B)** | **(173.08)** | **11.83** |
| **Earnings Per Equity Share (EPS)** | | | |
| (Face Value ₹ 10 Per Share) | | | |
| **Basic and Diluted EPS (₹)** | 29 | (346.16) | 23.66 |

The accompanying notes are an integral part of the financial statements.

For **Shah & Shah Associates**
Chartered Accountants
Firm Registration Number : 113742W

Partner
Membership No.047236

SHAH & SHAH ASSOCIATES
702, Aniket, C.G. Road, Navrangpura, Ahmedabad-9
CHARTERED ACCOUNTANTS

**Place : Ahmedabad**
**Date : 3rd May 2022**

For and on behalf of the Board of Directors of
**Mundra Solar Limited**

**Dharmesh Parekh**
Director
DIN 08256576

**Dhirav Shah**
Director
DIN: 08591063

MUNDRA SOLAR LIMITED

**Place : Ahmedabad**
**Date : 3rd May 2022**

**Mundra Solar Limited**

**Statement of changes in equity for the year ended 31st March, 2022**

adani

**A. Equity Share Capital**

(₹ in Lakhs)

| Particulars | No. Shares | Amount |
|---|---|---|
| **Balance as at 1st April, 2020** | **50,000** | **5.00** |
| Changes in equity share capital during the year | - | - |
| Share capital change due to prior period error | - | - |
| **Balance as at 31st March, 2021** | **50,000** | **5.00** |
| Changes in equity share capital during the year | - | - |
| Share capital change due to prior period error | - | - |
| **Balance as at 31st March, 2022** | **50,000** | **5.00** |

**B. Other Equity**

(₹ in Lakhs)

| Particulars | Retained Earnings |
|---|---|
| **Balance as at 1st April, 2020** | **(2.60)** |
| Profit for the year | 11.83 |
| Other comprehensive income | - |
| **Total Comprehensive loss for the year** | 11.83 |
| **Balance as at 31st March, 2021** | **9.23** |
| (Loss) for the year | (173.08) |
| Other comprehensive income | - |
| **Total Comprehensive loss for the year** | **(173.08)** |
| **Balance as at 31st March, 2022** | **(163.85)** |

The accompanying notes are an integral part of the financial statements.

As per our report of even date
**For Shah & Shah Associates**
Chartered Accountants
Firm Registration Number : 113742W

**Sunil K.Dave**
Partner
Membership No.047236

SHAH & SHAH ASSOCIATES
702, Aniket, C.G. Road, Navrangpura, Ahmedabad-9
CHARTERED ACCOUNTANTS

**Place : Ahmedabad**
**Date : 3rd May 2022**

For and on behalf of the Board of Directors of
**Mundra Solar Limited**

**Dharmesh Parekh**
Director
DIN 08256576

**Dhirav Shah**
Director
DIN: 08591063

**Place : Ahmedabad**
**Date : 3rd May 2022**

**Mundra Solar Limited**

**Statement of Cash Flow for the period ended 31st December 2021**

| Particulars | As at 31st March, 2022 (₹ in Lakhs) | As at 31st March, 2021 (₹ in Lakhs) |
|---|---|---|
| **(A) Cash flow from operating activities** | | |
| Loss before tax | **(173.08)** | **15.99** |
| Adjustments | - | - |
| **Operating Loss before working capital changes** | **(173.08)** | **15.99** |
| Changes in working capital: | | |
| (Increased) in Other Assets | (3,143.80) | (114.11) |
| Increased in Other Liabilities | 523.10 | 173.96 |
| (Increased) in Inventories | (40.76) | (128.97) |
| (Increased) in Trade Receivables | (1,725.05) | (109.25) |
| Increased in Trade Payables | 3,086.12 | 833.84 |
| | **(1,300.39)** | **655.47** |
| Cash generated from operations | **(1,473.47)** | **671.46** |
| Less : Tax Refund / (Paid) (net) | (26.28) | (13.70) |
| **Net Cash (used in) / generated from operating activities (A)** | **(1,499.75)** | **657.76** |
| **(B) Cash flow from investing activities** | | |
| Capital expenditure on Property, Plant and Equipment, Intangible assets, Capital Work in progress including capital | (9,831.55) | (885.16) |
| Proceeds from Sale of Investments | - | - |
| **Net Cash used in investing activities (B)** | **(9,831.55)** | **(885.16)** |
| **(C) Cash flow from financing activities** | | |
| Proceeds from Long-term borrowings | 14,059.48 | 201.37 |
| Repayment of from Long-term borrowings | (15,324.86) | - |
| Proceeds from Short-term borrowings (net) | 12,611.08 | 17.51 |
| **Net Cash generated from financing activities (C)** | **11,345.70** | **218.87** |
| **Net Increase in cash and cash equivalents (A)+(B)+(C)** | 14.40 | (8.52) |
| **Cash and cash equivalents at the beginning of the year** | 0.72 | 9.24 |
| **Cash and cash equivalents at the end of the year** | **15.12** | **0.72** |
| **Notes to Cash flow Statement :** | | |
| **Cash and cash equivalents as per above comprise of the following :** | | |
| Cash and cash equivalents (refer note 9) | **15.12** | **0.72** |
| **Balances as per statement of cash flows** | **15.12** | **0.72** |

**Notes:**

1) The Cash Flow Statement has been prepared under the 'Indirect Method' set out in Ind AS 7 'Cash Flow Statement'.

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For **Shah & Shah Associates**
Chartered Accountants
Firm Registration Number : 113742W

**Sunil K.Dave**
Partner
Membership No.047236

**Place : Ahmedabad**
**Date : 3rd May 2022**

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702, Aniket, C.G. Road, Navrangpura, Ahmedabad-9
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors of
**Mundra Solar Limited**

**Dharmesh Parekh**
Director
DIN 08256576

**Dhirav Shah**
Director
DIN: 08591063

**Place : Ahmedabad**
**Date : 3rd May 2022**

MUNDRA SOLAR LIMITED

**1 Corporate information**

Mundra Solar Limited ("the Company", "MSL") is a company domiciled in India and incorporated on 16th June, 2015 under the provisions of Companies Act, 2013 to carry on the business of manufacturing of Solar Photovoltaic Equipment's and Ancillaries in Special Economic Zone area (i.e. SEZ area ) at Mundra, District Kutch, Gujarat. During the year under review, company is in the process of set up of manufacturing facilities for proposed manufacturing project at Mundra.
The Company is wholly owned Subsidiary of Adani Green Technology Limited (Formerly known as Sami Solar (Gujarat) Private Limited).

**2 Significant accounting policies**

**a Basis of preparation**

The financial statements of the Company have been prepared in compliance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, on the historical cost basis except for certain financial instruments that are measured at fair values, as explained in the accounting policies below.

**b Project Development Expenditure / Capital Work in Progress**

Expenditure related to and incurred during implementation of capital projects is included under "Capital Work in Progress" or "Project Development Expenditure" as the case may be. The same is allocated to the respective fixed assets on completion of construction/ erection of the capital project/ fixed assets.

**c Financial Instruments**

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instruments.
Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

**d Financial assets**

**Initial recognition and measurement**

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis.
All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

**Classification of financial assets**

Financial assets that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest.

**ii) Impairment of Financial assets**

A financial asset is assessed at each reporting date to determine whether there is an objective evidence which indicates that it is impaired. A financial asset is considered to be impaired if an objective evidence indicates that one or more events have a negative effect on the estimated future cash flows of that asset.

The Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure;

a) Financial assets that are debt instruments, and are measured at amortised cost e.g. loans, debt securities, deposits, trade receivables and bank balances

b) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk. If credit risk has not increased significantly, 12 month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used.

ECL is the difference between all contracted cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original EIR. ECL impairment loss allowance (or reversal) recognised during the period is recognised as expense / (income) in the statement of profit and loss.

**Effective interest method**

The effective interest method is a method of calculating the amortised cost of a financial assets and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and transaction costs and other premiums or discounts) through the expected life of the financial assets, or where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest is recognised on an effective interest basis for debt instruments other than those financial assets classified as at Fair Value through Profit and Loss (FVTPL). Interest income is recognised in profit or loss and is included in the "Other income" line item.

**Financial assets at cost**

Investments in associates are accounted for at cost.

**Financial assets at fair value through profit or loss (FVTPL)**

Financial assets that do not meet the amortised cost criteria or Fair value through other comprehensive income (FVTOCI) criteria are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the "Other income" line item.

**Derecognition of financial assets**

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

SHAH & SHAH ASSOCIATES CHARTERED ACCOUNTANTS 702, Ankel, C.G. Road, Navrangpura, Ahmedabad-9

SOLAR LIMITED

**e Financial liabilities**

**Classification as debt or equity**

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

**Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

**Financial liabilities**

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

**Financial liabilities at FVTPL**

A financial liability may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability whose performance is evaluated on a fair value basis, in accordance with the Company's documented risk management;

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability.
Fair values are determined in the manner described in note 'g'.

**Financial liabilities at amortised cost**

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Other Financial liabilities are recognised at the transaction cost, which is its fair value, and subsequently measured at amortised cost.

**Derecognition of financial liabilities**

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

**f Current versus non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

The Company classifies all other assets as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.
The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company- has identified twelve months as its operating cycle.

**g Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the financial asset or settle the financial liability takes place either:

- In the principal market, or
- In the absence of a principal market, in the most advantageous market

The principal or the most advantageous market must be accessible by the Company.
A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use.
The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.
All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as
For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

**h Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

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CHARTERED ACCOUNTANTS

MUNDRA SOLAR LIMITED

i **Leases**

**Under Ind AS 116 Leases:**

Effective 1st April, 2019, the Company has adopted Ind AS 116 – Leases and applied the standard to all lease contracts existing on 1st April, 2019 using the modified retrospective method. Refer note 24 for details on transition to Ind AS 116 Leases.

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Lease term is a non-cancellable period together with periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments to be paid over the lease term at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined , the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate. Subsequently, the lease liability is measured at amortised cost using the effective interest method.

j **Taxes on Income**

Tax on Income comprises current and deferred tax. It is recognised in statement of profit and loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

**Current tax**

Tax on income for the current period is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

**Deferred tax**

Deferred tax is recognized for the future tax consequences of deductible temporary differences between the carrying values of assets and liabilities and their respective tax bases at the reporting date, using the tax rates and laws that are enacted or substantively enacted as on reporting date. Deferred tax liability are generally recorded for all temporary timing differences. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences can be utilised. Deferred tax relating to items recognized outside the statement of profit and loss is recognized outside the statement of profit and loss, either in other comprehensive income or directly in equity. The carrying amount of deferred tax assets is reviewed at each reporting date.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

k **Earnings per share:**

Basic earnings per share is computed by dividing the profit / loss after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for the effects of dividend, interest and other charges relating to the dilutive potential equity shares by weighted average number of equity shares plus dilutive potential equity shares.

l **Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Contingent liabilities are not recognised but are disclosed in the notes.

Contingent assets are not recognised but are disclosed in the notes where an inflow of economic benefits is probable.

m **Revenue Recognition:**

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts and other incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes or other amounts collected from customers.

i) Sale of goods

The Company's contracts with customers for the sale of goods generally include one performance obligation. Revenue from the sale of other goods is recognised at the point in time when control of the asset is transferred to the customers, generally on delivery of the goods.

ii) Interest income is recognised on time proportion basis at the effective interest rate ("EIR") applicable.
iii)Profit or loss on sale of investment is recognised on the contract date.

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MUNDRA SOLAR LIMITED

**3 Significant accounting judgements, estimates and assumptions**

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

**Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. Existing circumstances and assumptions about future developments may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

**i) Fair value measurement of financial instruments**

In estimating the fair value of financial assets and financial liabilities, the Company uses market observable data to the extent vailable. Where such Level 1 inputs are not available, the Company establishes appropriate valuation techniques and inputs to the model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in note 27.

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**4.1 Capital Work in Progress**

The Capital work in progress includes direct and incidental expenses incurred during construction period in connection with proposed project which will be capitalised on commencement of commercial production. The details of the same is as under:

MSL was incorporated to manufacture Solar Panels with backward integration of ingot and wafer. The management has decided to manufacture bifacial solar module. The company is presently undertaking implementation process of setting up manufacturing facilities for proposed manufacturing project at Mundra, the construction of which is under progress as at 31st March, 2022.

Due to the continuously evolving technology landscape, the company has decided to manufacture solar panels with sustainable technology i.e. TOPCON technology. Considering the size & nature of these projects, technical & other complexities involved, requirements of obtaining regulatory and other approvals which are time consuming, etc., the gestation period of this project is substantially and abnormally long. The management of the company is taking all necessary steps expeditiously including identification of technology and its tie up, negotiations for financial and/or technology partner, obtaining Government and other regulatory approvals. Further, various alternatives and options are also being pursued for funding of this project. The management of the company is confident of putting the project on stream within reasonable future i.e. latest before 31st December, 2023.

Considering above factors, the management believes that this project which are under implementation and in the construction stage are " qualifying assets" under the provisions of applicable Indian accounting standard and therefore ; also considering generally accepted accounting practices & principles , indirect pre-operative revenue expenses incurred during construction stage including interest on borrowings need to be capitalised which shall be included in the cost of assets ultimately created on completion of this project. Accordingly, as stated in Note-4.1, indirect pre-operative expenses incurred till 31st March, 2022 aggregating to Rs 10,803.40 Lakhs including Rs. 2,394.05 Lakhs incurred during the year are capitalised and shown as "Expenditure incurred during construction period" in the balance sheet

The details of the same is as under :

| Particulars | | As at 31st March, 2022 (₹ in Lakhs) | As at 31st March, 2021 (₹ in Lakhs) |
|---|---|---|---|
| **Expenditure incurred during construction period:** | | | |
| **Brought Forward from Previous year** | | **8,409.35** | **6,474.89** |
| **Expenditure for the year** | | | |
| Interest and Finance Charges | | 1,409.48 | 1,136.94 |
| Maintenance Charges | | 489.87 | 302.82 |
| Amortization / Depreciation | | 494.70 | 494.70 |
| **Less :** | | | |
| Capitalised during the year | | - | - |
| **Closing balance of capital work in Progress** | **Total** | **10,803.40** | **8,409.35** |

(i)CWIP Ageing Schedule:

As at 31st March, 2022 (₹ in Lakhs)

| Capital Work In Progress | Amount in CWIP for a period of | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Projects in progress | 2,394.06 | 1,934.45 | 1,930.34 | 4,544.55 | 10,803.40 |
| Projects temporarily suspended | | | | | |
| | | | | | |

As at 31st March, 2021 (₹ in Lakhs)

| Capital Work In Progress | Amount in CWIP for a period of | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Projects in progress | 1,934.45 | 1,930.34 | 1,860.40 | 2,684.15 | 8,409.35 |
| Projects temporarily suspended | | | | | |
| | | | | | |

**4.2 Right-of-use assets**

(₹ in Lakhs)

| Particulars | Lease hold land | Right of use in leased land | Total |
|---|---|---|---|
| **Balance as at 1st April, 2020** | 8,803.34 | 4,291.94 | 13,095.28 |
| Additions | - | - | - |
| **Balance as at 31st March, 2021** | **8,803.34** | **4,291.94** | **13,095.28** |
| Additions | - | - | - |
| **Balance as at 31st March, 2022** | **8,803.34** | **4,291.94** | **13,095.28** |
| **II. Accumulated depreciation and impairment** | | | - |
| **Balance as at 1st April, 2020** | 332.56 | 162.14 | 494.70 |
| Amortisation expense | 332.56 | 162.14 | 494.70 |
| **Balance as at 31st March, 2021** | **665.13** | **324.27** | **989.40** |
| Amortisation expense | 332.56 | 162.14 | 494.70 |
| **Balance as at 31st March, 2022** | **997.68** | **486.42** | **1,484.10** |

**Carrying amount of Right-of-use assets**

| Particulars | Lease hold land | Right of use in leased land | Total |
|---|---|---|---|
| **Carrying amount** | | | |
| As at 31st March, 2021 | 8,138.22 | 3,967.67 | 12,105.88 |
| As at 31st March, 2022 | 7,805.66 | 3,805.52 | 11,611.18 |

**Note:-**

1) Amortization / Depreciation of ₹ 494.70 Lakhs (Previous year ₹ 494.70 Lakhs) relating to the project assets has been allocated to capital work in progress.

**5 Non-current Investments**

| | | As at 31st March, 2022 (₹ in Lakhs) | As at 31st March, 2020 (₹ in Lakhs) |
|---|---|---|---|
| **Unquoted Investments** | | | |
| Investments in Equity Instruments | | | |
| Mundra Solar Techno Park Private Limited | | | |
| 12,45,000 Equity Shares (Previous Year 12,45,000 equity shares) | | 124.50 | 124.50 |
| (Face value of ₹ 10 each) | | | |
| | **Total** | **124.50** | **124.50** |

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MUNDRA SOLAR LIMITED

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**6 Other Non Current Financial Assets**

| | As at 31st March, 2022 (₹ in Lakhs) | As at 31st March, 2021 (₹ in Lakhs) |
|---|---|---|
| Security deposit | 0.45 | 0.45 |
| **Total** | **0.45** | **0.45** |

**7 Other Non-current Assets**

| | As at 31st March, 2022 (₹ in Lakhs) | As at 31st March, 2021 (₹ in Lakhs) |
|---|---|---|
| Capital advances | 5.27 | 10.70 |
| Advance income tax (Net of Provision) | 35.82 | 9.54 |
| **Total** | **41.09** | **20.24** |

**8 Inventories**

| | As at 31st March, 2022 (₹ in Lakhs) | As at 31st March, 2021 (₹ in Lakhs) |
|---|---|---|
| Project Material | 169.73 | 128.97 |
| **Total** | **169.73** | **128.97** |

**9 Cash and Cash equivalents**

| | As at 31st March, 2022 (₹ in Lakhs) | As at 31st March, 2021 (₹ in Lakhs) |
|---|---|---|
| Balances with banks | | |
| In current accounts | 15.12 | 0.72 |
| **Total** | **15.12** | **0.72** |

**10 Trade Receivables**

| | As at 31st March, 2022 (₹ in Lakhs) | As at 31st March, 2021 (₹ in Lakhs) |
|---|---|---|
| Secured, considered good | - | - |
| Unsecured, considered good | 1,834.30 | 109.25 |
| Trade receivables which have significant increase in credit risk | - | - |
| Trade receivables - credit impaired | - | - |
| **Total** | **1,834.30** | **109.25** |

(ii) Ageing Schedule:

**As at 31st March, 2022**

| Sr No | Particulars | Not Due | Outstanding for following periods from due date of receipt | | | | | Total |
|---|---|---|---|---|---|---|---|---|
| | | | Less than 6 months | 6 Months - 1 year | 1-2 Years | 2-3 Years | More than 3 years | |
| 1 | Undisputed Trade receivables - Considered good | - | 1,833.36 | 0.21 | 0.73 | - | - | 1,834.30 |
| 2 | Undisputed Trade receivables - which have significant | - | - | - | - | - | - | - |
| 3 | Undisputed Trade receivables - credit impaired | - | - | - | - | - | - | - |
| 4 | Disputed Trade receivables - Considered good | - | - | - | - | - | - | - |
| 5 | Disputed Trade receivables - which have significant | - | - | - | - | - | - | - |
| 6 | Disputed Trade receivables - credit impaired | - | - | - | - | - | - | - |

**As at 31st March, 2021**

| Sr No | Particulars | Not Due | Outstanding for following periods from due date of receipt | | | | | Total |
|---|---|---|---|---|---|---|---|---|
| | | | Less than 6 months | 6 Months - 1 year | 1-2 Years | 2-3 Years | More than 3 years | |
| 1 | Undisputed Trade receivables - Considered good | - | 109.25 | - | - | 0.00 | - | 109.25 |
| 2 | Undisputed Trade receivables - which have significant | - | - | - | - | - | - | - |
| 3 | Undisputed Trade receivables - credit impaired | - | - | - | - | - | - | - |
| 4 | Disputed Trade receivables - Considered good | - | - | - | - | - | - | - |
| 5 | Disputed Trade receivables - which have significant | - | - | - | - | - | - | - |
| 6 | Disputed Trade receivables - credit impaired | - | - | - | - | - | - | - |

**11 Other Financial Assets**

| | As at 31st March, 2022 (₹ in Lakhs) | As at 31st March, 2021 (₹ in Lakhs) |
|---|---|---|
| Unbilled Revenue | 2,500.00 | - |
| **Total** | **2,500.00** | **-** |

**12 Other Current Assets**

| | As at 31st March, 2022 (₹ in Lakhs) | As at 31st March, 2021 (₹ in Lakhs) |
|---|---|---|
| Advances for goods and services | 473.65 | 30.55 |
| Balances with Government authorities | 279.04 | 72.91 |
| **Total** | **752.69** | **103.46** |

**13 Share Capital**

| | As at 31st March, 2022 (₹ in Lakhs) | As at 31st March, 2021 (₹ in Lakhs) |
|---|---|---|
| Authorised Share Capital | | |
| 50,000 Equity shares of ₹ 10 each | 5.00 | 5.00 |
| **Total** | **5.00** | **5.00** |
| Issued, Subscribed and fully paid-up equity shares | | |
| 50,000 Equity shares of ₹ 10 each fully paid | 5.00 | 5.00 |
| **Total** | **5.00** | **5.00** |

**a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting year**

**Equity Shares**

| | As at 31st March, 2022 | | As at 31st March, 2021 | |
|---|---|---|---|---|
| | No. Shares | (₹ in Lakhs) | No. Shares | (₹ in Lakhs) |
| At the beginning of the year | 50,000 | 5.00 | 50,000 | 5.00 |
| Issued during the year | - | - | - | - |
| Share capital change due to prior period error | - | - | - | - |
| Outstanding at the end of the year | **50,000** | **5.00** | **50,000** | **5.00** |

**b. Terms/rights attached to equity shares**

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the share holders.

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SOLAR LIMITED

**c. Shares held by Parent Company / Promoters**

Out of equity shares issued by the Company, shares held by its parent company are as under:

| | As at 31st March, 2022 (₹ in Lakhs) | As at 31st March, 2021 (₹ in Lakhs) |
|---|---|---|
| Equity Shares held by parent company | | |
| Adani Green Technology Limited (Formerly known as Sami Solar (Gujarat) Private Limited) | 5.00 | 5.00 |

**d. Details of shareholders / Promoters holding more than 5% shares in the Company**

| | As at 31st March, 2022 | | As at 31st March, 2020 | |
|---|---|---|---|---|
| | No. Shares | % holding in the class | No. Shares | % holding in the class |
| **Equity shares of ₹ 10 each fully paid** | | | | |
| Adani Green Technology Limited (Formerly known as Sami Solar (Gujarat) Private Limited) | 50,000 | 100% | 50,000 | 100% |
| **Total** | **50,000** | **100%** | **50,000** | **100%** |

***There is no change in Shareholding pattern as compared to previous year.**

**14 Other Equity**

| | | As at 31st March, 2022 (₹ in Lakhs) | As at 31st March, 2021 (₹ in Lakhs) |
|---|---|---|---|
| **Retained Earning** | | | |
| Opening Balance | | 9.23 | (2.60) |
| Add : Profit / (Loss) for the year | | (173.08) | 11.83 |
| **Closing Balance** | **Total** | **(163.85)** | **9.23** |

**15 Long-term Borrowings**

| | | As at 31st March, 2022 (₹ in Lakhs) | As at 31st March, 2021 (₹ in Lakhs) |
|---|---|---|---|
| Unsecured Borrowings | | | |
| From Related Parties | | 5,364.92 | 6,630.29 |
| | **Total** | **5,364.92** | **6,630.29** |

**Note:**

1. The above loan is repayable on mutually agreed dates within a period of 5 years from the date of loan agreement. The above loans carries interest rate of 10.60% p.a.

**16 Other Non-current Financial Liabilities**

| | | As at 31st March, 2022 (₹ in Lakhs) | As at 31st March, 2021 (₹ in Lakhs) |
|---|---|---|---|
| Obligation under lease payable | | 5,478.53 | 5,345.90 |
| | **Total** | **5,478.53** | **5,345.90** |

**17 Short-term Borrowings**

| | | As at 31st March, 2022 (₹ in Lakhs) | As at 31st March, 2021 (₹ in Lakhs) |
|---|---|---|---|
| **Unsecured Borrowings** | | | |
| From Related Parties | | 12,817.83 | 206.75 |
| | **Total** | **12,817.83** | **206.75** |

**Note:**

(a) The unsecured borrowings from related parties carries interest rate of 10.00 % p.a. and is repayable with in 1 Year from the date of agreement.

**18 Trade Payables**

| | | As at 31st March, 2022 (₹ in Lakhs) | As at 31st March, 2021 (₹ in Lakhs) |
|---|---|---|---|
| Trade Payables | | | |
| i. Total outstanding dues of micro enterprises and small enterprises | | 1,361.55 | - |
| ii. Total outstanding dues of creditors other than micro enterprises and small enterprises | | 2,558.41 | 833.84 |
| | **Total** | **3,919.96** | **833.84** |

**As at 31st March, 2022**

| Sr No | Particulars | Not Due | Outstanding for following periods from due date of Payment | | | | Total |
|---|---|---|---|---|---|---|---|
| | | | Less than 1 year * | 1-2 years | 2-3 Years | More than 3 years | |
| 1 | MSME | 1,361.55 | - | - | - | - | 1,361.55 |
| 2 | Others | 1,175.22 | 981.17 | 402.02 | - | - | 2,558.41 |
| 3 | Disputed dues - MSME | - | - | - | - | - | - |
| 4 | Disputed dues - Others | - | - | - | - | - | - |
| | **Total** | **2,536.77** | **981.17** | **402.02** | **-** | **-** | **3,919.96** |

**As at 31st March, 2021**

| Sr No | Particulars | Not Due | Outstanding for following periods from due date of Payment | | | | Total |
|---|---|---|---|---|---|---|---|
| | | | Less than 1 year * | 1-2 years | 2-3 Years | More than 3 years | |
| 1 | MSME | - | - | - | - | - | - |
| 2 | Others | 402.00 | 431.84 | 0.00 | 0.00 | - | 833.84 |
| 3 | Disputed dues - MSME | - | - | - | - | - | - |
| 4 | Disputed dues - Others | - | - | - | - | - | - |
| | **Total** | **402.00** | **431.84** | **-** | **-** | **-** | **833.84** |

**19 Other Financial Liabilities**

| | | As at 31st March, 2022 (₹ in Lakhs) | As at 31st March, 2021 (₹ in Lakhs) |
|---|---|---|---|
| Project Creditors | | - | 7,932.21 |
| Other Current Liabilities and Other Payables | | 5.00 | - |
| Retention Money | | 356.53 | 3.39 |
| | **Total** | **361.53** | **7,935.60** |

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702, Aniket, C.G. Road, Navrangpura, Ahmedabad-9
CHARTERED ACCOUNTANTS

MUNDRA SOLAR LIMITED

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**20 Other Current Liabilities**

| | | As at 31st March, 2022 (₹ in Lakhs) | As at 31st March, 2021 (₹ in Lakhs) |
|---|---|---|---|
| Statutory liabilities | | 68.54 | 36.21 |
| | **Total** | **68.54** | **36.21** |

**21 Other Expenses**

| | | As at 31st March, 2022 (₹ in Lakhs) | For the year ended 31st March, 2021 (₹ in Lakhs) |
|---|---|---|---|
| Consultancy charges | | 500.44 | 0.01 |
| **Payment to Auditors** | | | |
| Statutory Audit Fees | | 0.75 | 0.25 |
| Miscellaneous expenses | | 7.47 | - |
| Office Expenses | | 10.00 | - |
| | **Total** | **518.66** | **0.26** |

**22 Income Tax**

**The major components of income tax expense for the years ended 31st March, 2022 and 31st March, 2021 are under:**

**Income Tax Expense :**

| | | As at 31st March, 2022 (₹ in Lakhs) | For the year ended 31st March, 2021 (₹ in Lakhs) |
|---|---|---|---|
| **Current Tax:** | | | |
| Current Income Tax Charge | | - | 4.16 |
| | **Total (a)** | - | **4.16** |
| **Deferred Tax:** | | | |
| In respect of current year origination and reversal of temporary differences | | - | - |
| | **Total (b)** | - | - |
| | **Total (a+b)** | - | **4.16** |

| **Particulars** | For the year ended 31st March, 2021 (₹ in Lakhs) | For the year ended 31st March, 2021 (₹ in Lakhs) |
|---|---|---|
| **Loss before tax** | **(173.08)** | **15.99** |
| **Income tax using the company's domestic tax rate @ 25.168 %** | **(45.00)** | **4.16** |
| **Tax Effect of :** | | |
| i) Non-deductible expenses | - | 0.00 |
| ii) Gain on Sale of units of Mutual Fund | - | - |
| iii) Not recognising deferred tax due to virtual uncertainity of realisation of deferred tax assets | 45.00 | - |
| **Income tax recognised in profit and loss account at effective rate** | - | **4.16** |
| Deferred tax recognised | - | - |
| **Total tax recognised during the year** | - | **4.16** |

(Figures below ₹ 50,000 are denominated by 0.00*)

SHAH & SHAH ASSOCIATES
702, Aakket, C.G. Road, Navrangpura, Ahmedabad-9
CHARTERED ACCOUNTANTS

MUNDRA SOLAR LIMITED

**23 Contingent Liabilities and Commitments ( to the extent not provided for) :**

| | As at 31st March, 2022 (₹ in Lakhs) | As at 31st March, 2021 (₹ in Lakhs) |
|---|---|---|
| **(i) Contingent Liabilities :** Based on the information available with the company, there is no contingent liability as at the year ended 31st March, 2022 | Nil | Nil |
| **(ii) Commitments :** (Estimated amount of contract remaining to be executed on capital account and not provided for (Net of Advance) | Nil | Nil |

**24 Leases**

The Company has lease contracts for land used in its operations. Leases of this items are generally have lease terms of 30 years. Generally, the Company is restricted from assigning and subleasing the leased assets.

The weighted average incremental borrowing rate applied to lease liabilities is 8.25%.

The following is the movement in Lease liabilities during the period ended 31st March 2022

| Particulars | As at 31st March, 2022 (₹ in Lakhs) | As at 31st March, 2021 (₹ in Lakhs) |
|---|---|---|
| Opening Balance | 5,345.90 | 5,175.89 |
| Finance Costs incurred during the period | 441.04 | 427.01 |
| Payments of Lease Liabilities | 308.41 | 257.00 |
| **Closing Balance (Refer Note 16)** | **5,478.53** | **5,345.90** |

**25 Due to micro, small and medium enterprises**

Under the Micro Small and Medium Enterprises Development Act, 2006, (MSMED) which came in to force from 2nd October, 2006, certain disclosers are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with management, outstanding dues to the Micro and Small enterprise as defined in the MSMED Act, 2006 are disclosed as below.

| Particulars | As at 31st March, 2022 (₹ in Lakhs) | As at 31st March, 2021 (₹ in Lakhs) |
|---|---|---|
| Principal amount remaining unpaid to any supplier as at the year end. | 1,361.55 | - |
| Interest due thereon | - | - |
| Amount of interest paid by the company in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year. | - | - |
| Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under the MSMED. | - | - |
| Amount of interest accrued and remaining unpaid at the end of the accounting year. | - | - |
| Amount of further interest remaining due and payable even in succeeding years. | - | - |

The disclosure in respect of the amount payable to enterprises which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006 has been made based on the information received and available with the Company. On the basis of such information, no interest is payable to any micro, small and medium enterprises. These facts have been relied upon by the auditors.

**26 Financial Instruments and Risk Review :**

The Company's risk management activities are subject to the management direction and control under the framework of Risk Management Policy as approved by the Board of Directors of the Company. The Management ensures appropriate risk governance framework for the Company through appropriate policies and procedures and that risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

In the ordinary course of business, the Company is exposed to Liquidity risk.

**(a) Liquidity Risk**

The Company monitors its risk of shortage of funds using cash flow forecasting models. These models consider the maturity of its financial investments, committed funding and projected cash flows from operations. The Company's objective is to provide financial resources to meet its business objectives in a timely, cost effective and reliable manner and to manage its capital structure. A balance between continuity of funding and flexibility is maintained through on continued support from lenders and trade creditors.

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

(₹ in Lakhs)

| As at 31st March, 2022 | Carrying value | Less than 1 year | 1 to 5 years | More than 5 years | Total |
|---|---|---|---|---|---|
| Borrowings | 18,182.74 | 12,817.83 | 5,364.92 | - | 18,182.75 |
| Trade Payable | 3,919.96 | 3,919.96 | - | - | 3,919.96 |
| Other Financial Liabilities | 361.53 | 361.53 | - | 5,478.53 | 5,840.06 |
| **Total** | **22,464.23** | **17,099.30** | **5,364.92** | **5,478.53** | **27,942.75** |

(₹ in Lakhs)

| As at 31st March, 2021 | Carrying value | Less than 1 year | 1 to 5 years | More than 5 years | Total |
|---|---|---|---|---|---|
| Borrowings | 6,837.04 | 206.75 | 6,630.29 | - | 6,837.04 |
| Trade Payable | 833.84 | 833.84 | - | - | 833.84 |
| Other Financial Liabilities | 7,935.60 | 7,935.60 | - | 5,345.90 | 13,281.50 |
| **Total** | **15,606.48** | **8,976.19** | **6,630.29** | **5,345.90** | **20,952.38** |

SHAH & SHAH ASSOCIATES 702, Amket, C.G. Road, Navrangpura, Ahmedabad-9 CHARTERED ACCOUNTANTS

MUNDRA SOLAR LIMITED

27 Fair Value Measurement :

a) The carrying value of financial instruments by categories as of 31st March, 2022 is as follows :

(₹ in Lakhs)

| Particulars | | Fair Value through other Comprehensive income | Fair Value through profit or loss | Derivative instruments not in hedging relationship | Amortised cost | Total |
|---|---|---|---|---|---|---|
| **Financial Assets** | | | | | | |
| Cash and cash equivalents | | - | - | - | 15.12 | 15.12 |
| Other Financial Assets | | - | - | - | 2,500.45 | 2,500.45 |
| Trade Receivables | | - | - | - | 1,834.30 | 1,834.30 |
| | **Total** | - | - | - | **4,349.87** | **4,349.87** |
| **Financial Liabilities** | | | | | | |
| Borrowings | | - | - | - | 18,182.74 | 18,182.74 |
| Trade Payable | | | | | 3,919.96 | 3,919.96 |
| Other Financial Liabilities | | - | - | - | 5,840.06 | 5,840.06 |
| | **Total** | - | - | - | **27,942.76** | **27,942.76** |

b) The carrying value of financial instruments by categories as of 31st March, 2021 is as follows :

(₹ in Lakhs)

| Particulars | | Fair Value through other Comprehensive income | Fair Value through profit or loss | Derivative instruments not in hedging relationship | Amortised cost | Total |
|---|---|---|---|---|---|---|
| **Financial Assets** | | | | | | |
| Cash and cash equivalents | | - | - | - | 0.72 | 0.72 |
| Other Financial Assets | | - | - | - | 0.45 | 0.45 |
| Trade Receivables | | | | | 109.25 | 109.25 |
| | **Total** | - | - | - | **110.42** | **110.42** |
| **Financial Liabilities** | | | | | | |
| Borrowings | | - | - | - | 6,837.04 | 6,837.04 |
| Trade Payable | | - | - | - | 833.84 | 833.84 |
| Other Financial Liabilities | | | | | 13,281.50 | 13,281.50 |
| | **Total** | - | - | - | **20,952.38** | **20,952.38** |

28 Capital Management

The Company's objectives when managing capital is to safeguard continuity and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth. The Company's overall strategy remains unchanged from previous year.

The Company sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments.

The funding requirements are met through a mixture of equity, internal fund generation, borrowings. The Company's policy is to use borrowings to meet anticipated funding requirements. The Company monitors capital on the basis of the net debt to equity ratio.

29 Pursuant to the Indian Accounting Standard (Ind AS- 33) – Earnings per Share, the disclosure is as under:

| Particulars | | For the year ended 31st March, 2022 | For the year ended 31st March, 2021 |
|---|---|---|---|
| **Basic and Diluted EPS** | | | |
| Profit / (Loss) attributable to equity shareholders | (₹ in Lakhs) | (173.08) | 11.83 |
| Weighted average number of equity shares outstanding during the year | No. | 50,000 | 50,000 |
| Nominal Value of equity share | ₹ | 10 | 10 |
| Basic and Diluted EPS | ₹ | (346.16) | 23.66 |

SHAH & SHAH ASSOCIATES CHARTERED ACCOUNTANTS 702, Antriksh, C.G. Road, Navrangpura, Ahmedabad-9

MUNDRA SOLAR LIMITED

## 30 Related party transactions

The Management has identified the following entities and individuals as related parties of the Company for the period ended 31st March, 2022 for the purpose of reporting as per IND AS 24 - Related Party Disclosure which are as under:-

### A. List of related parties and relationship

| | | |
|---|---|---|
| **Ultimate Controlling Entity** | : | S. B. Adani Family Trust (SBAFT) |
| **Parent Company** | : | Adani Green Technology Limited (Formerly known as Sami Solar (Gujarat) Private Limited |
| **Fellow Subsidiary** | : | Mundra Solar PV Limited |
| **Entities over which ultimate Controlling entity, key Management personnel, Directors and their relative are able to exercise significant Influence. (With whom transactions made during** | : | Mundra Solar Technopark Private Limited<br>Adani Infra (India) Limited<br>Adani Enterprises Limited<br>Adani Properties Private Limited<br>Adani Green Energy Limited |
| **Key Management Personnel** | : | Mr. Harsh Vardhan Govil, Director<br>Mr. Dharmesh Parekh, Director<br>Mr. Dhirav Shah, Director |

### B. Transactions with related parties

(₹ in Lakhs)

| Nature of Transactions | Name of Related Party | For the year ended 31st March, 2022 | For the year ended 31st March, 2021 |
|---|---|---|---|
| Expense Paid | Mundra Solar Technopark Private Limited | 489.87 | 559.82 |
| | Adani Infra (India) Limited | 10.00 | |
| | Adani Enterprises Limited | 500.00 | 390.59 |
| Borrowing Taken | Adani Enterprises Limited | 12,611.08 | 17.51 |
| | Adani Properties Private Limited | 13,731.48 | 655.29 |
| | Mundra Solar PV Limited | 328.00 | 496.08 |
| Borrowing Paid | Adani Properties Private Limited | 14,334.50 | 950.00 |
| | Mundra Solar PV Limited | 990.36 | - |
| Interest Expense | Adani Enterprises Limited | 303.24 | 18.92 |
| | Adani Properties Private Limited | 957.17 | 661.91 |
| | Mundra Solar PV Limited | 16.44 | 29.09 |
| Rendering of Services | Adani Infra (India) Limited | 3,287.89 | 93.78 |
| Sale of Goods | Adani Infra (India) Limited | 2,695.53 | - |

### C. Balances with related parties

(₹ in Lakhs)

| Nature of Transactions | Name of Related parties | As at 31st March, 2022 | As at 31st March, 2021 |
|---|---|---|---|
| Borrowings | Adani Enterprises Limited | 12,817.83 | 206.75 |
| | Mundra Solar PV Limited | - | 662.36 |
| | Adani Properties Private Limited | 5,364.92 | 5,967.93 |
| Accounts Receivable | Adani Infra (India) Limited | 3,634.65 | 109.25 |
| Accounts Payable | Adani Green Energy Limited | - | 0.32 |
| | Adani Enterprises Limited | 540.00 | 431.60 |
| | Mundra Solar Techno park Private Limited | - | 7,892.24 |

SHAH & SHAH ASSOCIATES
302, Aniket, C.G. Road, Navrangpura, Ahmedabad-9
CHARTERED ACCOUNTANTS

MUNDRA SOLAR LIMITED

| 31 | Ratio Analysis : | UOM | For the year ended 31st March, 2022 | For the year ended 31st March, 2021 | Variances |
|---|---|---|---|---|---|
| | **i) Current Ratio :** | | | | |
| | Current Assets (a) | (₹ in Lakhs) | 5,271.84 | 342.40 | |
| | Current Liabilities (b) | (₹ in Lakhs) | 17,167.86 | 9,012.40 | |
| | Current Ratio (a/b) | Times | 0.31 | 0.04 | 708% |
| | Numerator - Total Current Assets<br>Denominator - Total Current Liabilities<br>**** Increased in Current Ratio on account of increased in current assets during the current year*** | | | | |
| | **ii) Debt-Equity Ratio * :** | | | | |
| | Total Outside Liabilities (a) | (₹ in Lakhs) | NA | NA | NA |
| | Shareholder's Equity (b) | (₹ in Lakhs) | NA | NA | NA |
| | Debt - Equity Ratio (a/b) | Times | NA | NA | NA |
| | **iii) Debt Service coverage Ratio * :** | | | | |
| | Earnings available for Debt services (a) | (₹ in Lakhs) | NA | NA | NA |
| | Interest + Installments (b) | (₹ in Lakhs) | NA | NA | NA |
| | Debt Service coverage Ratio (a/b) | Times | NA | NA | NA |
| | **iv) Return on Equity Ratio :** | | | | |
| | Profit after Taxes | (₹ in Lakhs) | (173.08) | 11.83 | - |
| | Average Shareholder's Fund (b) | (₹ in Lakhs) | (158.85) | 14.23 | - |
| | Return on Equity Ratio (a/b) | % | -109% | 83% | -231% |
| | Numerator - Loss after Taxes<br>Denominator - Total Equity<br>**** Decreased in Return on Equity Ratio on account of losses in the current year*** | | | | |
| | **v) Inventory Turnover Ratio :** | | | | |
| | Cost of Good Sold (a) | (₹ in Lakhs) | 7,231.32 | 892.80 | |
| | Average Inventory (b) | (₹ in Lakhs) | 149.35 | 64.49 | |
| | Inventory Turnover Ratio (a/b) | Times | 48.42 | 13.84 | 250% |
| | Numerator - COMC+Changes in Inventory<br>Denominator - (Opening Inventory+Closing Inventory)/2<br>**** Increased in Inventory Turnover Ratio on account of increased in revenue during the current year*** | | | | |
| | **vi) Trade Receivables turnover Ratio :** | | | | |
| | Annual net Credit Sales (a) | (₹ in Lakhs) | 7,576.90 | 909.05 | - |
| | Average Accounts Receivable (b) | (₹ in Lakhs) | 971.77 | 54.62 | - |
| | Trade Receivables turnover Ratio (a/b) | Times | 7.80 | 16.64 | -53% |
| | **** Reduction in Trade Receivables turnover Ratio on account of increased in revenue and trade receivable during the current year*** | | | | |
| | **vii) Trade Payables turnover Ratio :** | | | | |
| | Annual net credit Purchases (a) | (₹ in Lakhs) | 7,749.98 | 893.06 | |
| | Average Accounts Payable (b) | (₹ in Lakhs) | 2,376.90 | 416.92 | |
| | Trade Payables turnover Ratio (a/b) | Times | 3.26 | 2.14 | 52% |
| | (Cost of Material Consumed + Changes in Inventory + Other Manufacturing Cost + Other Expenses)<br>**** Increased in Trade Payables turnover Ratio on account of increased in purchases and trade payable during the current year*** | | | | |
| | **viii) Net Capital turnover Ratio * :** | | | | |
| | Revenue from operations (a) | (₹ in Lakhs) | NA | NA | NA |
| | Working Capital (b) | (₹ in Lakhs) | NA | NA | NA |
| | Net Capital turnover Ratio (a/b) | Times | NA | NA | NA |
| | Numerator - Total revenue from operations<br>Denominator - Working Capital (Current Assets- Current Liability) | | | | |
| | **ix) Net Profit Ratio :** | | | | |
| | Profit after Tax (a) | (₹ in Lakhs) | (173.08) | 11.83 | - |
| | Sales (b) | (₹ in Lakhs) | 7,576.90 | 909.05 | - |
| | Net Profit Ratio (a/b) | % | -2.28% | 1.30% | -276% |
| | Numerator - Profit after tax<br>Denominator - Total revenue from operations<br>**** Reduction in Net Profit Ratio on account of reduction in earning in current year*** | | | | |
| | **x) Return on Capital Employed :** | | | | |
| | Earnings before Interest and Taxes (a) | (₹ in Lakhs) | -173.08 | 15.99 | - |
| | Capital Employed (b) | (₹ in Lakhs) | 18,023.89 | 6,851.28 | - |
| | Return on Capital Employed (a/b) | % | -0.96% | 0.23% | -511% |
| | Numerator - Earnings before Interest and Taxes<br>Denominator - Total Equity<br>**** Reduction in Return on Capital Employed Ratio on account of reduction in earning in current year*** | | | | |
| | **xi) Return on Investment :** | | | | |
| | Return or Profit or Earnings (a) | (₹ in Lakhs) | -173.08 | 11.83 | - |
| | Shareholders fund (b) | (₹ in Lakhs) | -158.85 | 14.23 | - |
| | Return on Investment (a/b) | % | -108.96% | 83.11% | -231% |
| | Numerator - Profit after tax<br>Denominator - Equity share capital + Other<br>**** Reduction in Return on Investment Ratio on account of reduction in earning in current year*** | | | | |

**Note : Either numerator or denominator is not available for computing above ratios. Hence not computed.**

SHAH & SHAH ASSOCIATES
102, Aniket, C.G. Road, Navrangpura, Ahmedabad-9
CHARTERED ACCOUNTANTS

MUNDRA SOLAR LIMITED

**32** Previous year's figures have been recast, regrouped and rearranged, wherever necessary to conform to this year's classification.

**33 Approval of financial statements**
The financial statements were approved for issue by the board of directors on 3th May 2022.

The accompanying notes are an integral part of the financial statements.
As per our report of even date

For **Shah & Shah Associates**
Chartered Accountants
Firm Registration Number : 113742W

**Sunil K.Dave**
**Partner**
Membership No.047236

**Place : Ahmedabad**
**Date : 3rd May 2022**

For and on behalf of the Board of Directors of
**Mundra Solar Limited**

**Dharmesh Parekh**
Director
DIN 08256576

**Dhirav Shah**
Director
DIN: 08591063

**Place : Ahmedabad**
**Date : 3rd May 2022**